

# COTTON North Reduced Tillage - Enterprise Planning Budget Summary

Estimated Costs Per Acre

Note: To customize this budget, you may change any numbers in b

Following Recommended Management Practices

Yield Goal

750 Pounds per Acre

ALABAMA, 2017

Cottonseed/Lint Ratio

1.35

NOTE: The following costs are estimates. Actual costs and quantities will vary from farm to farm.

The most important information will be contained in the "Your Farm " column that you provide.

	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL PER ACRE	YOUR FARM
<b>1. VARIABLE COSTS</b>					
Seed & Tech Fee	THOUS.	41.00	2.15	88.15	_____
Seed Treatment	BAG	1.00	5.00	5.00	_____
Fertilizer					
Nitrogen	UNITS	90.00	0.45	40.50	_____
Phosphate	UNITS	40.00	0.40	16.00	_____
Potash	UNITS	60.00	0.30	18.00	_____
Poultry litter	TONS	0.00	0.00	0.00	_____
Micronutrients/Boron	ACRE	1.00	10.00	10.00	_____
Lime (Prorated)	TONS	0.33	35.00	11.55	_____
Herbicides					
Burndown/Planting+Post/Lay-By	ACRE	1.00	55.00	55.00	_____
Insecticides					
Planting, Early, Mid, Late Season	ACRE	1.00	20.00	20.00	_____
Systemic Fungicides	ACRE	0.00	0.00	0.00	_____
Growth Regulator	ACRE	1.00	8.00	8.00	_____
Defol/Harvest Aid	ACRE	1.00	20.00	20.00	_____
Consultant/Scouting Fee	ACRE	0.00	8.00	0.00	_____
Irrigation	AC/IN	0.00	12.00	0.00	_____
Crop Insurance	ACRE	1.00	25.00	25.00	_____
Aerial Application	ACRE	0.00	9.00	0.00	_____
Boll Weevil Eradication	ACRE	1.00	3.00	3.00	_____
Cover Crop Establishment.	ACRE	1.00	20.00	20.00	_____
Land Rent	ACRE	1.00	0.00	0.00	_____
Labor (Wages & Fringe)	HOUR	3.20	12.50	40.00	_____
Tractor/Machinery	ACRE	1.00	51.00	51.00	_____
Interest on Operating Capital	DOL.	215.60	0.0550	11.86	_____
Gin/Whse.	LB	750.00	0.12	90.00	_____
Classing/Promotion Fee	BALE	1.56	3.20	5.00	_____
Cottonseed Credit	TONS	0.51	180.00	-91.13	_____
<b>TOTAL VARIABLE COST</b>				<b>\$446.93</b>	_____
<b>2. FIXED COSTS</b>					
Tractor/Machinery	ACRE	1.00	99.50	99.50	_____
Irrigation	ACRE	0.00	125.00	0.00	_____
Land Ownership Cost	ACRE	1.00	0.00	0.00	_____
General Overhead	DOL.	446.93	0.08	35.75	_____
<b>TOTAL FIXED COSTS</b>				<b>135.25</b>	_____
<b>3. TOTAL COST OF ALL SPECIFIED EXPENSES</b>				<b>\$582.19</b>	_____

## NET RETURNS PER ACRE ABOVE SPECIFIED VARIABLE EXPENSES AT VARYING YIELD AND PRICE LEVELS(1)

Yld Lbs/acre	PRICE (\$/LB)				
	\$0.625	\$0.650	\$0.675	\$0.700	\$0.725
550	-\$53.55	-\$39.80	-\$26.05	-\$12.30	\$1.45
650	-\$15.87	\$0.38	\$16.63	\$32.88	\$49.13
750	\$21.82	\$40.57	\$59.32	\$78.07	\$96.82
850	\$59.50	\$80.75	\$102.00	\$123.25	\$144.50
950	\$97.18	\$120.93	\$144.68	\$168.43	\$192.18

FERTILIZER RATES BASED ON MED. LEVEL OF SOIL FERTILITY. SOIL TEST ARE RECOMMENDED ON INDIVIDUAL FIELDS. FERT & LIME COSTS REFLECT CUSTOM SPREADING.

### 1 Production costs held constant except Gin/Whse, Classing/Promotion Fee, and Cottonseed Credit

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Seed Treatment

Thrips overspray		2.5	Orethene	w/Roundup spray
Cut Worms		1	Reduced tillage	
Plant Bugs	25% of acres 2 applications	4.5 per appl		
Grass Hopper		5	Reduced tillage special trip	
Stink Bugs				
N Ala	1 appl	5 per appl		
C & S Ala	2.5 appl			

Calculation for  
Gin/Whse. Net of seed value

Cottonseed Quantity = 1.5 times Lint  
 Cottonseed Price = 0.5 times the Oct Soybean Meal Futures Price

Cottonseed Value Quant X Price/2000

Gin/Whse Cost 0.1 per lb lint

Cottonseed Value is subtracted from Gin/Whse cost

16.8

		148.5
0.7352		143
	28.462	71.5

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